VZCZCXRO9221 OO RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHJA #0316/01 0460921 ZNY CCCCC ZZH O 150921Z FEB 08 FM AMEMBASSY JAKARTA TO RUEHC/SECSTATE WASHDC IMMEDIATE 8012 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY RUEHBY/AMEMBASSY CANBERRA PRIORITY 2007 RHHJJPI/USPACOM HONOLULU HI PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEHNE/AMEMBASSY NEW DELHI 1585 RUEHKO/AMEMBASSY TOKYO 1524 RUEHWL/AMEMBASSY WELLINGTON 2327 RHEHNSC/NSC WASHDC RUEAIIA/CIA WASHDC RUEKJCS/JOINT STAFF WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 JAKARTA 000316

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DEPT FOR EAP, EAP/MTS, EAP/MLS, EAP/RSP, T, PM, L SECDEF FOR USDP/ISA/AP P.IPSEN JOINT STAFF FOR CLEMMONS NSC FOR E.PHU

E.O. 12958: DECL: 02/15/2018 TAGS: <u>PREL MARR PGOV ID SN</u>

SUBJECT: INDONESIA-SINGAPORE DEFENSE AGREEMENT IN TROUBLE

REF: 07 JAKARTA 2660 AND PREVIOUS

Classified By: Pol/C Joseph Legend Novak, reasons 1.4(b+d).

11. (C) SUMMARY: The Indonesia-Singapore Defense Cooperation Agreement (DCA) is in trouble. The Indonesian government indicates that the agreement--which, in part, would allow the Singapore military to train in Indonesia--has been "put aside." The key reason is that the national legislature (DPR) will not ratify it in its present form. Amid talk of trying to renegotiate, the Singaporean Pol/C has told us that there is no room to do that. If there is not some sort of breakthrough, our guess is that the agreement will continue to languish. END SUMMARY.

INDONESIAN ANGST

- 12. (C) There continues to be controversy in Indonesia about the DCA with Singapore. Indonesian Defense Minister Juwono Sudarsono was quoted in the Indonesian online press on February 4 as saying that Singapore had unilaterally "cancelled" the proposed Indonesia-Singapore Defense Cooperation Agreement (DCA) via some unspecified action. The DCA, which was negotiated and signed in tandem with an Extradition Agreement (ET) in April 2007, has been ratified by Singapore, but not yet by the DPR. In making his comments, Sudarsono was apparently referring to remarks made (some months back) by former Singapore leader Lee Kuan Yiew, which were purportedly negative toward aspects of the Extradition Treaty. (Note: This agreement is particularly important to the GOI as it would allow the extradition of criminal suspects—such as those allegedly involved in corruption, etc.—from Singapore to Indonesia.)
- ¶3. (C) The Indonesian Department of Foreign Affairs (DEPLU) quickly stepped in to clarify Sudarsono's remarks. In a statement, it announced that it was putting the whole matter "aside" at this point and waiting for further consultations with Singapore. When queried by Pol/C on February 15, Gudadi Sasangko, DEPLU's Deputy Director for East Asian Affairs, replied that Foreign Minister Hassan Wirajuda planned to visit Singapore for ASEAN-related meetings next week. During that trip, Wirajuda planned to have a meeting on the margins of the ASEAN discussions on the DCA matter with his Singaporean counterpart. Although a bit vague, Sasangko

indicated that Wirajuda--after consultations with the Defense Ministry--planned to ask the GoS whether certain sections of the agreement could be renegotiated and a time-table set up to do that.

THE LEGISLATURE: WE'RE NOT ON BOARD

- 14. (C) It is clear that the agreement as it now written is unpopular in the DPR. In a February 14 discussion with Pol/C, Theo Sambuaga, the Chair of DPR's Commission I dealing with foreign and defense matters, underscored that the agreement faced so much opposition in the DPR that the government had decided not to submit it for ratification at this point. In a February 14 meeting with Pol/C, Djoko Susilo--another prominent legislator--was adamant that the agreement must not be ratified in its current form.
- 15. (C) The substantive disagreement in the DPR toward the agreement basically involves the training and exercise provisions. DPR members see them as totally slanted toward Singapore. Susilo, for example, harshly criticized an aspect of the agreement which would allow for Singaporean training/exercises in an area called "Area Bravo." This site, the largest allotted to the Singapore military under the agreement, encompasses a substantial stretch of Indonesian waters in the Natuna Sea east of Singapore. The site would be used for air and naval exercises, including live fire. Susilo told Pol/C that the Singaporean armed forces would be given "too much latitude" to conduct "war plans" in Area Bravo to the detriment of Indonesian sovereignty. Susilo noted (correctly) that Indonesian communities located in the Area Bravo region strongly opposed the agreement.

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SINGAPORE EMBASSY: WE STILL HAVE HOPE

16. (C) We brought up the matter with the Singaporean Embassy here. Pol/C Kamal Vaswani told us on February 15 that his country remained committed to the two agreements (DCA and Extradition) and wanted to see them implemented. That said, Singapore recognized that the current mood in the DPR was not conducive to ratification at this time, but perhaps it would be in the future. In the GOS's estimate, however, the GOI should move forward and ratify the agreements. When queried about whether there was much scope for renegotiation, Vaswani replied flatly "no," that he did not think so, noting that the two governments had worked "very closely" to come to agreement on the two accords and Singapore did not want to open the whole matter up. He indicated that his Embassy was regularly meeting with DPR members in an effort to clear up "misperceptions" re the DCA, but that that effort had not yet proven successful.

IT DOES NOT LOOK GOOD FOR THE DCA

17. (C) If there is not some sort of breakthrough, our guess is that the DCA will languish. Beyond the substance, there is a sub-text: many DPR members clearly resent Singapore, which they see as a small, aggressive (mainly Chinese) neighbor trying to push a much larger (if poorer) Indonesia around. The DPR also seems to want to give the GOI a black eye, as the two branches continue to fight over control of foreign policy oversight and other issues. Based on our soundings, the GOI seems to want to find a way to move forward on the whole matter while maintaining good ties with Singapore, but seems to have been caught off-guard by the strong reaction emanating from the DPR.

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